

1 Re-Adopt 2 Cal. Code Regs. section 18700.1 as follows:

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3 **18700.1. ~~Using Official Position to Influence~~ Has Reason to Know; Reasonable Diligence.**

4 (a) General Rule. For purposes of Government Code sections 87100 and 87103, if a
5 public official does not know whether a governmental decision of his or her agency is one in
6 which he or she may have a financial interest, the public official shall exercise reasonable
7 diligence to determine whether he or she has reason to know that the governmental decision will
8 have a reasonably foreseeable material financial effect upon one or more of the official's
9 economic interests. Should a public official lack information sufficient to complete one or more
10 steps of the conflict-of-interest analysis described in 2 Cal. Code Regs. section 18700(b), the
11 public official shall undertake a factual inquiry of such scope and effort as a reasonably prudent
12 public official of like office and in similar circumstances would undertake when facing the same
13 or a similar decision, in order to acquire the lacking information.

14 (b) For the purposes of this regulation, an exercise of reasonable diligence includes the
15 following mandatory actions:

16 (1) Reviewing agency material pertaining to the governmental decision at issue, together
17 with any other relevant information in the possession of the public official's agency; and

18 (2) Undertaking the standard conflict-of-interest analysis described in 2 Cal. Code Regs.
19 section 18700(b), including in such review an examination of applicable provisions of the
20 Political Reform Act (Government Code sections 81000 – 91015) and the Commission's
21 regulations (2 Cal. Code Regs. chapter 7, article 1, sections 18700 – 18709).

1 (c) For the purposes of this regulation, an exercise of reasonable diligence may include
2 additional actions by the public official, constituting those a reasonably prudent public official of
3 like office would undertake in the same or in similar circumstances. These actions may include,
4 but are not limited to:

5 (1) A review of any relevant Commission materials, in addition to those subject to
6 mandatory review under this regulation;

7 (2) Obtaining a Commission opinion or written advice under Government Code section
8 83114 and 2 Cal. Code Regs., sections 18329 and 18329.5; or

9 (3) Reviewing information in the possession or under the control of the public official or
10 members of the official's immediate family, or any representative or agent of the foregoing,
11 which is relevant to whether the governmental decision will have a reasonably foreseeable
12 material financial effect on one or more of the official's economic interests.

13 (d) Effect of Third Party Assistance. A public official's duty to comply with
14 Government Code sections 87100 and 87103 is non-delegable.

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16 Note: Authority: Section 83112, Gov. Code
17 Reference: Sections 87100, 87103 and 87105, Gov. Code
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